

Kentucky Agricultural Development Fund Update

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ADF Board Meeting in Review

Over the last three months, the Kentucky Agricultural Development Board has approved over \$9.3 million in diversification projects for Kentucky agriculture.

Thirteen non-model projects were approved for \$4,870,871 in state, \$60,000 in KCADE, and \$304,726 in county funds. These projects ranged in scope from marketing to technical assistance.

The balance of funds approved were for the eight model programs. County model programs are designed to provide farmers with cost-share funding to allow them to improve and diversify their current production practices.

Agricultural Diversification

\$476,550 / 13 counties

Fencing Improvement

\$346,250 / 5 counties

Forage Improvement

\$596,516 / 14 counties

Cattle Genetics Improvement

\$248,988 / 12 counties

Goat Diversification

\$195,485 / 10 counties

Cattle Handling

\$598,951 / 16 counties

Hay, Straw & Commodity Storage

\$1,509,842 / 19 counties

On-farm Water Enhancement

\$65,000 / 2 counties

At the August meeting, a presentation was made by the University of Louisville professors who are studying the economic impact of Agricultural Development Fund programs in Kentucky. The professors also made recommendations for the improvement of the program.

In October, the Board considered only model program and requested amendments, as well as referring new applications. The remainder of the day-long meeting was spent reviewing and revising current programs, policies and procedures, as well as discussing future objectives.

Cultivating rural prosperity

DATES TO REMEMBER:

Nov. 14 —Board Project Review (Louisville)

Nov. 21—Board Meeting, 10:00 a.m. Brown-Forman Room, KHC (Frankfort)

SEED LIST UPDATE

The following varieties of alfalfa have been added to the approved seed list for the *Forage Improvement & Utilization Program*:

CPS 950
WL 357 HQ

For a complete list, visit <http://agpolicy.ky.gov/funds/forage/>

Welcome to New Staff

In recent months we have had several staff changes at the Governor's Office of Agricultural Policy (GOAP). We would like to welcome five new faces to our staff.

If you have dropped by the office or called in the last several months then you have already had an opportunity to speak with our new receptionist **Love Sanders**. Love not only welcomes guests to our office, but she is also lending her skills to the ongoing task of entering reporting

form data for the model programs.

As our new Project Compliance Officers, **Jeff Belcher** and **Brad Nelson** are two new staff members with whom you will soon become quite familiar with in our office. Jeff is responsible for following up with all non-model projects and Brad is taking on all the model program follow-up.

We are excited about the addition of an attorney to the office, **Laurie Dudgeon**. Laurie will be working part-time at the office on

legal agreements and other issues that arise.

Finally, our newest face is **Bill Hearn**, who is the new Budget Officer. We are happy to be able to tap into his expertise in this area.

Please help us in making these new staff members feel welcome. For a complete listing of GOAP staff, visit <http://agpolicy.ky.gov/staff.shtml>.

Agricultural Entrepreneurship Program Update

During the 2000 legislative session, the General Assembly directed the Agricultural Development Board (ADB) to create and oversee an **Agricultural Entrepreneurship Program** and authorized the board to establish the Center for Entrepreneurship to operate under this program. In October 2000, the Kentucky Agricultural Development Board approved the business plan for the Agricultural Entrepreneurship Program and allocated \$5.66 million for the advancement of entrepreneurial endeavors in Kentucky agriculture. The **Kentucky Center for Agricultural Development and Entrepreneurship (KCADE)** was established to operate under the Agricultural Entrepreneurship Program (AEP).

The mission of the Agricultural Entrepreneurship Program is to advance statewide efforts to diversify the basis of Kentucky agricultural economy by provid-

ing or coordinating:

- ☞ Technical assistance in the development of business plans and feasibility assessments for new and expanded areas of production
- ☞ Resource information about local professional service providers for farmer entrepreneurs to utilize
- ☞ Cost-share grants to farmers seeking to diversify their current operations, facilitate cooperative development, research new products or market Kentucky agricultural products, and
- ☞ Capacity-building education and hands-on training for farmers in the Commonwealth.

As of the July 2003 ADB meeting, just under \$1.2 million of the \$4 million set aside is available for AEP grant applications. Since its establishment AEP grants have

supported the following:

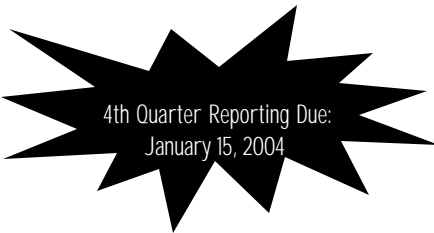
- 11 Market/Feasibility Studies totaling \$461,220.00
- 6 Development, Training or Diversification Projects totaling \$2,347,473.00

To keep technical assistance workshops available to farmers, KCADE partnered with Kentucky's Small Business Development Centers to provide three levels of training. Below is the status of those training sessions:

Beginning: Smart Steps to Smart Choices
20 workshops/151 farmers

Advanced: NxLevel: Tilling the Soil of Opportunity
5 workshops/97 farmers

Market Study Summaries:
http://agpolicy.ky.gov/kcade/market_studies.shtml



4th Quarter Reporting Due:
January 15, 2004

Model Program Updated

At its July 2003 meeting, the Kentucky Agricultural Development Board adopted new Expected Progeny Difference (EPD) guidelines as a standard across all counties for the Cattle Genetics Improvement model cost-share program.

The **Cattle Genetics Improvement Program**, as adopted in February of 2001, provides minimum EPD guidelines for use in the program. However, counties could adopt stricter guidelines, if they chose. With this new amendment, **all counties will have the same EPD guidelines to follow for bulls to qualify.** If a farmer wants to purchase an animal with higher EPDs, then it is at the farmer's own discretion.

This change should allow farmers who are interested in characteristics, other than size, to select for the most economical animal for their herd.

The new standards are posted on our website. These standards are effective July 18, 2003 [the Board meeting date].

This amendment only sets a standard for the EPDs; other portions of the program guidelines may still be made stricter by the program administrator, if they choose.

Importance of Using Correct Forms

For record keeping purposes and efficient processing of applications, it is important for all applicants and County Councils to use the most current forms available. The newest forms have been available for over a year, yet many continue to utilize out-dated forms, which may cause delays in processing.

Below are links to various forms used by this office in the application process.

Priority Sheet—the new form provides more information to staff, as to the Council's wishes.
http://agpolicy.ky.gov/board/documents/cc_prioritization.pdf

Model Program Application—a shorter form than the regular application; questions and budget specific to model programs.
<http://agpolicy.ky.gov/funds/applications.shtml>

Non-model Application—the new application is structured in a way, so that when complete it is a basic business plan; the questions are more specific in order to provide the Board and staff necessary details of the proposed project.
<http://agpolicy.ky.gov/funds/applications.shtml>

Cover Sheet—must accompany the model program application, non-model application and any requests for additional funds for model programs.
http://agpolicy.ky.gov/funds/documents/application_Cover_Page.doc

If our office receives an outdated form, the applicant may receive a call from our office to send the correct form, which may delay the processing of the application. Please feel free to contact your Project Analyst if you have any questions about the forms, (502) 564-4627.

PROJECT ANALYSTS BY EXTENSION DISTRICT

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District V	Maggie May (Lake Cumberland) / Bill McCloskey (Lincoln Trail)
District VI	Bill McCloskey (billb.mccloskey@mail.state.ky.us)
District VII	Maggie May (marjorier.may@mail.state.ky.us)

Farewell

Over the last month we have had two more team members leave our office. Penny Cline Durham has gone back to her home state of Wisconsin, and Kim Tompkins has taken a position in the Finance and Administration Cabinet.

Please join us in thanking Kim and Penny for all of their hard work over the last two and a half years. They have helped this program grow and develop into what it is today. Both will be missed.



Cherry Lyons, Penny Durham, Danny Case, Carolyn Belcher, R.J. Palmer, Larry Clay, Jimmie Thompson, Daisy Marshall, David Adams, Marjorie Boyd, Carole Rison, Gary Hamilton, and Mary Linda Copher
(Photo: Kirby Haskins)

Bath Co. Marketing Center

Sen. R.J. Palmer and Rep. Carolyn Belcher, along with Agricultural Development Board members Danny Case and Larry Clay, presented \$1.5 million to the Bath County Agricultural Extension Foundation for their Agricultural Education and Marketing Center.

The Center will house four different facilities—a new agricultural extension office, a farmers' market, a market store front, and a shared-used kitchen to promote local product development.

agpolicy.ky.gov

GOAP Website Updates

County Account Availability as of 10/17/03 posted:
<http://agpolicy.ky.gov/funds/availability.shtml>

ADF Board Meeting Details updated:
<http://agpolicy.ky.gov/board/meetings.shtml>

Counties with Model Programs updated:
http://agpolicy.ky.gov/funds/funded_model_programs.shtml

KCADE Resource Links page updated:
http://agpolicy.ky.gov/kcade/resource_links.shtml

GOAP Calendar updated:
<http://agpolicy.ky.gov/calendar.shtml>

Standard EPDs posted:
<http://agpolicy.ky.gov/funds/cattle.shtml>

Upcoming Meetings

KY Agricultural Finance Corp.

Friday, Nov. 14, 9:30 a.m.

KFEC Room 109, Louisville

Governor's Commission of Family Farms

Wednesday, Nov. 19, 10:00 a.m.

Capitol, Room 110

Tobacco Settlement Oversight Committee

Wednesday, Dec. 10, 1:30 p.m.

Capitol Annex, Room 131

If you wish to receive any of the documents mentioned in this newsletter either via fax or regular mail, please contact our office by e-mail, govkyagpolicy@mail.state.ky.us, or by phone, (502) 564-4627.

